

CLASSIFIED MESSAGE

DATE : 9 MAR 54

SECRET

ROUTING	
1	4
2	5
3	6

TO : DIRECTOR

FROM :

ACTION: WE 6

INFO : COP, FI, FI/OPS, FI/STC, PP 2, PP/EOD 2, EE 2, FI/RI 2

1742 (IN 23776)

1153Z 10 MAR 54

ROUTINE

TO: DIR

INFO:

CITE:

RE: 1697 (IN 24167)

1. IN CONVERSATION 8 MARCH WITH INGRAM AND COL BROWN, LOEWER AND BRAILLARD REFUSED TURN OVER DOCUMENTS FOR LESS THAN \$10,000. HOWEVER DURING LATER INTERROGATION, PROVIDED INFO ANALYSED BY BROWN AND [] AS FOLLOWS:

A. BROWN [] BELIEF CONFIRMED THAT MARC BLOCH, GENEVA RESPONSIBLE SALE 11 MILLIONS SWISS FRANCS VALUE KUGELFISHER BEARINGS TO CHINA IMPORT AND EXPORT OF EAST BERLIN WITH FINANCIAL BACKING AND ACTIVE SUPPORT UNION BANK OF SUISSE, FIRST HANDLED BY GENEVA BRANCH BUT LATER TAKEN OVER BY MAIN OFFICE ZURICH. VALUE THAT PORTION ORDER ALREADY DELIVERED BY KUGELFISHER TO PALLAS OIL AND TRADING, LONDON AND STILL HELD IN UK IS 4 MILLION SWISS FRANCS. KUGELFISHER RECEIVED PAYMENT 2,500,000 SWISS FRANCS FACTORY PRICE FROM UNION BANK EARLY DEC 53.

B. BLOCH ACTIVE COLLABORATORS THIS TRANSACTION:

1. (COLONEL) GUISAN GENEVA
2. FRANCIS GENOUD, SUISSE AND PARIS

SECRET

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DECLASSIFIED AND RELEASED BY
CENTRAL INTELLIGENCE AGENCY
SOURCE METHOD EXEMPTION 3828
NAZI WAR CRIMES DISCLOSURE ACT
DATE 2007

SECRET

9 MAR 54

1742 (IN 25776)

PAGE -2-

3. HANS RECHENBERG OF BAD TOLZ, WEST GERMANY
FORMERLY FRANKFURT.

C. (IR) MAURICE GARDIEN, LAWYER 75 RUE RICHELIEU PARIS
RECENTLY BROUGHT INTO DEAL BY UNION BANK TO ARRANGE NEW OSTENSIBLE
DESTINATION FOR GOODS NOW HELD UK. HE ALLEGED TO HAVE OFFERED OR
PAID 250,000 SWISS FRANCS TO SWEDISH FIRM LABECO (LAUTER), STOCKHOLM
TO ARRANGE NECESSARY IMPORT CLEARANCES THERE.

D. COMETAL OF PARIS REPRESENTED BY MAURICE DRACKA
OWNER SOVIETE GETRAVO PARIS APPARENTLY ATTEMPTING TAKE TITLE TO
GOODS TO GAIN RELEASE FROM UK.

E. BUREAU D ETUDES ET DE RECHERCHES POUR L'INDUSTRIE
MODERNE, KNOWN AS BERIM PARIS ON OIT CHECK LIST 16, CONTROLLED
QUALITY FOR CHINESE BUYER.

F. BLEICHROEDER, BING AND COMPANY LONDON AND NEW YORK
INSURED SHIPMENT AGAINST ALL DAMAGE AND LOSS BY SEIZURE FROM SCHWEIN-
FURT TO ROSTOCK.

G. ROULEMENT GENEVE ONLY FUNCTION THIS TRANSACTION WAS
TO INTRODUCE BLOCH TO KUGELFISHER.

H. CONSIDERING DIRECT NEGOTIATIONS CONDUCTED BETWEEN
BLOCH AND KUGELFISHER AND METHOD OF PAYMENT, BROWN AND [] AVE
LITTLE DOUBT THAT KUGELFISHER AWARE TRUE DESTINATION THIS ORDER.
BASIS ON WHICH FED REP LICENSING BUREAU ISSUED EXPORT LICENSES, AFTER

SECRET

68-6-2-044

SECRET

9 MARCH 64

[] 1742 (IN 25776)

PAGE -3-

HAVING PREVIOUSLY REFUSED LICENSE AGAINST ITALIAN IMPORT CERTIFICATES, QUESTIONABLE. AS INFORMANTS ALLEGE BLOCH AND KUGELFISHER ANXIOUS SHIP BALANCE OF 7 MILLION SWISS FRANCS VALUE BEARINGS TO ROSTOCK ALL POSSIBLE STEPS SHOULD BE TAKEN TO BLOCK LICENSING BY FED REP. IN VIEW PREVIOUS ODACID INSTRUCTIONS TO BROWN TO DROP CONTACT WITH INFORMANTS HE MAKING NO REPORT AND TAKING NO ACTION; THEREFORE IT KUBARK REPONSIBILITY INSTIGATE APPROPRIATE ODYONE ACTION.

1. MOTIVATION INFORMANTS WHILE CLAIMING PATRIOTISM, PROBABLY RESENTMENT AT NOT PROFITING PERSONALLY FROM TRANSACTION.

END OF MESSAGE

SECRET

~~68-602-111~~

CLASSIFIED MESSAGE

DATE : 9 MAR 54

SECRET

ROUTING	
1	4
2	5
3	6

TO : DIRECTOR

FROM : []

ACTION CHANGE

ACTION: PP/ECD 2

INFO : COP, FI, FI/OPS, FI/STO, PP 2, WE 6, EE 2, FI/R 2

PART 1742 (IN 25776 A) 11 MARCH 54

ROUTINE
PRECEDENCE

CABLE SECRETARIAT COMMENT:

ON 11 MAR 54 THE ACTION ON THIS CABLE WAS CHANGED FROM
WE TO PP/ECD AT THE REQUEST OF [] WE, EXT. 4416,
IN COORDINATION WITH [] PP/ECD, EXT. 2791.

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